Starting and Sustaining a Complete Quality System

Grace L. Duffy, *Public Health Foundation*
John W. Moran, *Public Health Foundation*

2010

Starting and Sustaining a Complete Quality System
Grace L. Duffy and John W. Moran[1]

Published in *The Quality Texas* August 2010 Newsletter
http://www.texas-quality.org/SiteImages/125/Newsletter/August%20Newsletter%202010,%20ver2.pdf

Organizations must continuously improve or become obsolete. This effort requires constant monitoring of the environment, market place, customers, stakeholders, and employees to detect any shift in priorities. The organization must anticipate these shifts to keep their stakeholders satisfied. When changes are detected the organization's critical processes must be improved or redesigned to meet these shifts. This is basic organizational survival. A complete quality system helps an organization continually focus on what is important from a customer's perspective.

A complete quality system, as shown in Figure 1, illustrates the integration of three principles and seven elements which are the basics of any successful organization[2] These three principles are customer focus, process improvement, and total involvement. The elements in figure 1 are taken from the Malcolm Baldrige Performance Excellence Criteria.

How and Where To Start:
If you are leader of an organization and want to implement a complete quality system to improve performance, be willing to commit your full time and energy to make it work. It has to be your number one priority. This is not something that can be delegated. It takes committed leadership to integrate a complete quality system into an organization. It is difficult and time consuming to do but transforms an organization to one that is customer centric.
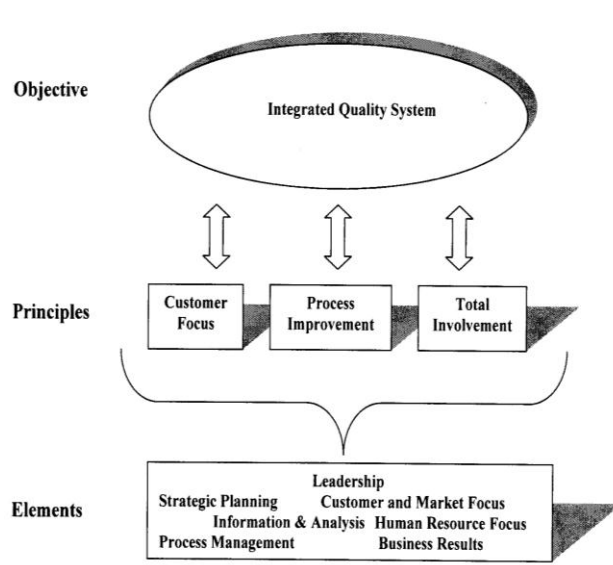

Figure 1: Complete Quality System

---

[2] Tenner, Arthur R. and Detoro, Irving J.; Total Quality Management: Three Steps to Continuous Improvement, Addison Wesley, 1992

The leadership of the organization chooses areas needing the most improvement. These improvement areas could be prioritized from a Baldrige or State Quality Award self-assessment, a SWOT analysis, the strategic plan, or other indicators derived from measures of operations and customer feedback. The areas selected to be improved should be aligned to the future strategic direction of the organization, improve customer satisfaction, and be recognized by the internal staff as high priority areas worthy of investment of the time and energy that it will take to improve them.

How to Improve:
Once we have prioritized what to improve we need to adopt an improvement model to guide the process. Figure 2 illustrates a five-phase methodology that supports a systematic process of improving how work is done in organizations[3].This methodology supports the whole organization; not a subset of activities labeled "quality". Quality must be integrated into every phase of the business to be totally effective.

The methodology asks two key questions at every phase:
1. Does the process under study support the organization's strategic mission?
2. Is the process under study necessary to meet the demands of our customers?

Phase 1: Focus	Phase 2: Assessment	Phase 3: Negotiation	Phase 4: Redesign	Phase 5: Implementation
Form Team	Map Process	Identify unmet customer needs	ACT • Analyze • Conclude • Test	Analyze implications Seek approval
Focus Team Mission Scope Objectives Strategic ties Measures	Assess and validate customer needs	Negotiate valid requirements Set improvement targets and success measures	Test and measure potential improvement possibilities	Refine Implement Monitor and measure
Outcome: Establish the change imperative and guiding principles	Outcome: Understand the current business situation	Outcome: Define real requirements and gaps in performance	Outcomes: Develop the change plan Pilot testing Refinements	Outcome: Dramatically improved performance

Figure 2: A Core Process Redesign Pathway (Waks and Moran, © 2003)

The Baldrige model can be easily integrated into this methodology. Each element of the complete quality system becomes a mega-process for design under the Core Process Redesign methodology.

Senior leadership must be active in the *focus* phase of each element. As identified in figure 1, total involvement is a critical principle of an effective quality system.

---

[3]The Executive Guide To Improvement And Change, G. Beecroft, G. Duffy, and J. Moran, ASQ Quality Press, 2003, Chapter 6.

Implementing an improvement model like the one in figure 2 requires an investment in training for all levels of the organization; from the basics to advance tools and techniques of quality. Training is an expensive upfront investment but well worth the expense since it gets everyone started on the same page and makes implementation smoother.

Customer and Stakeholder:
Assessing *customer needs* is critical to measuring the success of a process. This assessment component involves identifying the customers of the process, documenting what the team knows these customers currently need and might expect in the future, and planning how to close any gaps in knowledge and understanding.

These two dimensions of assessment should be performed concurrently to align process capabilities with customer needs. There are two risks in aligning these two dimensions. One is in missing performance gaps that occur when a process is not meeting customer needs. The other is missing growth opportunities or risks critical to the business. These risks may occur when a process delivers beyond what customers need. An organization should leverage this second situation. When a process delivers in anticipation of true, future expectations, this performance can be an organization's competitive advantage.

Indicators of Success:
To be successful, any complete quality system must measure and report its performance on a routine basis. When designed and implemented effectively, performance measurement provides the following benefits[4]:

- Supports the organization's strategic plan by providing management with tangible indicators and goals relevant to daily activities.
- Provides executives with sufficient and timely information regarding the effectiveness of operations before significant financial impacts are experienced.
- Creates a work environment that supports and rewards cooperation among key functional areas to attain desired results.
- Drives change by focusing resources and shaping behaviors toward specific, tangible results.
- Establishes a mechanism for assigning and enforcing accountability, as well as for recognizing and rewarding outstanding performance.

Total Involvement:
Involve all levels of the organization in design and implementation of the complete quality system. Use the "top to bottom and back to the top" concept of establishing a senior management vision, sharing it with the whole organization, listening to the ideas of those impacted by the changes, and revise as necessary. Figure 3 shows the vertical alignment of strategic to operational planning that directs objectives and policy throughout the organization. The front line workforce assesses operational requirements to meet organizational requirements and returns action plans to senior management for review and scheduling.

---

[4] The Executive Guide To Improvement And Change, G. Beecroft, G. Duffy, and J. Moran, ASQ Quality Press, 2003, Chapter 14

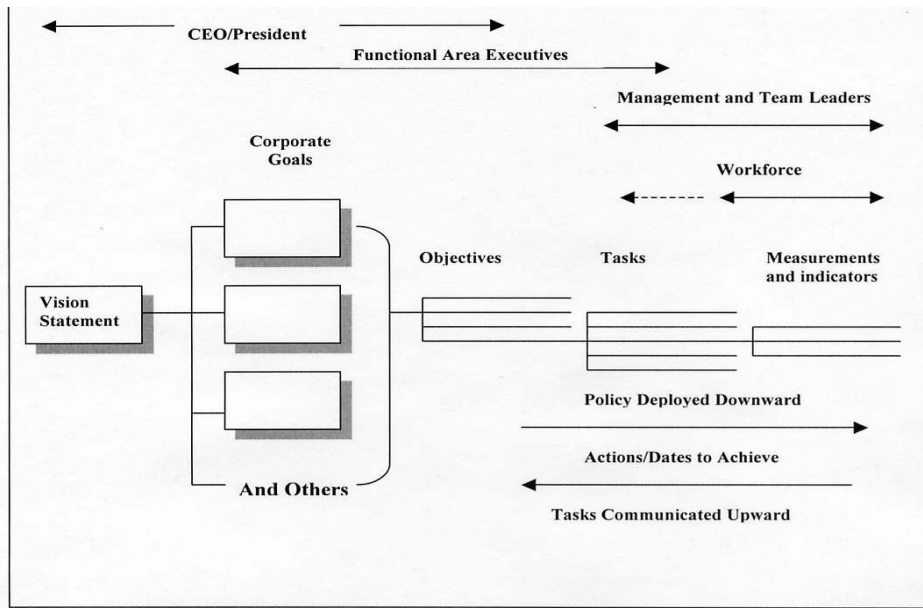# Alignment "Vertically" Within the Organization

Figure 3: Vertical alignment for total involvement in Quality Improvement

Senior leadership has the responsibility of strategic planning, SWOT analysis, customer and market research and the development of an organization vision. Once senior management has identified the general direction of the organization, functional managers are involved to take the vision to the tactical level. Goals are identified in support of the organization as a whole and in support of the functions that comprise the total enterprise.

Functional areas work with middle and first-line managers to identify specific tactical objectives. First-line managers, team leaders and the general workforce address each of these objectives in terms of specific outputs to meet customer needs.

Conclusion:
It cannot be emphasized enough the importance of the organization's leadership total involvement in designing, implementing, nurturing, and sustaining a complete quality system. Many leaders have made the mistake that a complete quality system will take root on its own and maintain hands off approach with minimal interest. These leaders are always surprised when it fails. Employees look to the organization's leadership for direction. When they see leadership having only a passing interest in the quality program the workforce does likewise and the whole effort becomes lip service and finally fails. Using the three principles of Customer Focus, Quality Improvement and Total Involvement is an effective way to design and implement a new system of quality within the organization.